

MINUTES OF ROCKTON POLICE PENSION BOARD

Regular Meeting

Wednesday – 04/28/2021

CALL TO ORDER:

President Bruce Lans called the Police Pension Board regular meeting to order at 4:02 P.M.

ROLL CALL:

Present were: Bruce Lans, Ron Montgomery, Russell Schaefer, Officer Johnson and Sgt. Camacho. A quorum was present. Dave Harrington of Sawyer Falduto Asset Management, Village Mayor-Elect John Peterson, Village Treasurer Jaye Quimby, Pension Board Attorney Chris Potthoff of Reimer Dobrovlny and Lauterbach & Amen Director Allison Barrett were in attendance.

PUBLIC COMMENT TIME:

There were no public comments.

LAUTERBACH & AMEN PRESENTATION:

Director Allison Barrett from Lauterbach & Amen presented the three part Pension Benefits Accounting Services Administration proposal covering the following areas:

1. Accounting Services
2. Professional Services Administration (PSA) with Secure Portals
3. Pension Benefits Administration

There was discussion as to what parts of the proposal were needed and the extra work that may be required to go back for the last year to cover any possible issues with village treasurer transitions during that time period. The work would include going back a year to properly gather and meet the IDOI 2021 required reporting and the annual active member statements.

The annual service cost totals and start-up fees for each portion were reviewed in detail, to include the additional three part reporting actuarial services already under a three year contract expiring 5/31/2021. Possible start-up for services could be as soon as of June 2021 if the board wished to take action. They do offer a 30-day out termination clause if the board changed direction.

Copies of the related documents to include proposed annual/start-up costs were added to meeting file.

APPROVAL OF MINUTES:

A motion was made by Mr. Lans to approve the Police Pension Board regular meeting minutes from 1/27/2021, seconded by Mr. Schaefer. Voice vote: unanimous ayes – motion carried.

A copy of minutes for the Rockton Police Pension Board 1/27/2021 meeting have been added to the meeting minutes file.

INVESTMENT ADVISOR REPORT:

Dave Harrington of Sawyer Falduto Asset Management provided the Investment Performance Report for the 1st quarter of 2021 in the following summation:

	Quarter 1	Year-to-Date
Cash Flow Summary		
Beginning Market Value	\$8,253,902	\$8,253,902
Ending Market Value	\$8,349,959	\$8,349,959
Investment Return	\$96,057	\$96,057

Performance	Actual	Benchmark	Actual	Benchmark
Equity	5.9%	7.2%	5.9%	7.2%
Fixed Income	-2.6%	-3.3%	-2.6%	-3.3%
Cash Equivalents	0.0%	0.0%	0.0%	0.0%
Total Account Return (net of fees)	1.2%	1.4%	1.2%	1.4%

Asset Allocation	Actual	Range
Equity	45.3%	40 – 45%
Fixed Income	54.3%	50 – 60%
Cash Equivalents	0.3%	0 – 10%

A motion was made by Sgt. Camacho, seconded by Mr. Montgomery to accept the investment advisor's report as presented by Sawyer Falduto Asset Management. Voice vote: unanimous ayes – motion carried.

The Quarterly Investment Performance Report (1st Quarter 2021) from Sawyer Falduto has been added to the meeting minutes file.

TREASURER'S REPORT:

Mrs. Quimby stated that financial reports since the last meeting under the former treasurer (Mark Olson) were not complete and ready for presentation at this time. Mrs. Quimby has returned and assumed temporary duties for the village as the treasurer pending action by the new Mayor and Village Board. Mr. Olson was in the position since August of last year. Mrs. Quimby will forward the reports once completed.

Mrs. Quimby confirmed member payroll withholding and village/county tax transfers were accurate from her review since returning. She hasn't moved anything from the First National checking account pending her final review of actions taken by the past treasurer.

First National Checking Account Total: Reported estimate to be at \$38,000.

A motion was made by Mr. Lans, seconded by Mr. Schaefer to accept the Treasurer's report as presented by Mrs. Quimby. Voice vote: unanimous ayes – motion carried.

APPROVE BILLS FOR PAYMENT:

Mr. Lans reviewed the following totals for bills for payment:

1. Attorney Quarterly Retainer (04/21) - \$750.00

A motion was made by Sgt. Camacho, seconded by Officer Johnson to authorize payment of the bills as noted. Upon roll call, the vote was: AYES: 5—Mr. Lans, Mr. Schaefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

The invoice was added to the minutes file.

TRUSTEE TRAINING:

2021 Mid-American Conference - Sgt. Camacho confirmed that Officer Johnson wouldn't be able to attend the May IPPFA conference and he was the remaining member due for the 2020 annual training. Mr. Johnson will attempt to complete the 2020 8-hour and 4-hour IPPFA online training before the end of the year. Mr. Montgomery's training certificates for 2020 were turned were completed through a business related source outside of the transition training done online earlier.

Mr. Lans made the motion to approve paying up to \$400 in registration fees for Officer Johnson to complete the 2-part 2020 online training, seconded by Mr. Schaefer. Upon roll call, the vote was: AYES: 5—Mr. Lans, Mr. Schaefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

REQUEST FOR BENEFITS:

Active Member Retirement – Sergeant Camacho reviewed the possible application from Chief Dickson starting 7/1/2021. An uncertified copy of an active QILDRO has been added to his file, there was discussion as to what steps would need to be completed with the assistance of Lauterbach & Amen and Attorney Potthoff to meet the July date. Sgt. Camacho will follow-up with the member and coordinate needed paperwork for our next meeting as needed and what filing fees would need to be included for the QILDRO.

OLD BUSINESS:

Uniformed Unclaimed Property Act Update – Sgt. Camacho reported that the draft letters had been held based pending possible action with Lauterbach & Amen and their interaction in providing that service going forward.

Board Elections & Appointments – Sgt. Camacho reviewed nominations had been completed and the pending appointments:

1. Active Members – The nominations had been held with 13 of 15 forms returned by active members. Twelve votes had been received for both Johnson and Camacho. The remaining single votes for two other individual officers had been confirmed and neither officer wished to be involved with the pension board. Sgt. Camacho will obtain written confirmation before the next meeting.
2. Appointed Members – Mr. Lans is due for reappointment as of May 2021. He will review the matter and speak with village administration to add him the board agenda if interested in continuing in his position prior to the May date.

3. Retired Members – Mr. Schaefer is the sole retired member of the fund. By acclamation of the beneficiary class, Mr. Schaefer was nominated and voted to stay on for another 2-year term.

Copies of the related documents were added to the file.

NEW BUSINESS:

Lauterbach & Amen, LLP – Professional Services Proposal – Mr. Lans reviewed the proposal provided and made the recommendation we obtain all three parts of the offered services for a term of one year. Discussion continued as to the benefits of obtaining their services for the board and active/retired members. The board then can review the work and related services provided in a year for renewal. There was discussion with Jaye Quimby as to what the process would be for transferring of records and access to the needed information to go forward.

Sgt. Camacho made the motion to approve the hiring of Lauterbach & Amen for the full service proposal at a cost \$12,925, with start-up costs of \$1,450 and the additional work for 2021 fiscal year reports/review for a total not to exceed \$4,500, seconded by Officer Johnson. Lauterbach & Amen will provide an updated estimate of the start-up cost with discounted items. Mr. Lans, Mrs. Quimby and Sgt. Camacho will coordinate with them for needed exchange of documents and records for the transition.

Upon roll call, the vote was: AYES: 5–Mr. Lans, Mr. Scahefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

Lauterbach & Amen, LLP – Actuarial Services Proposal – Mr. Lans reviewed the past work by Lauterbach & Amen for annual actuarial work that will end by three year contract in May, 2021. Mr. Lans made a motion to approve the hiring of Lauterbach & Amen to complete the actuarial reporting for the 2020-2021 year, not to exceed \$4,655.

Mr. Lans made the motion to approve, seconded by Mr. Montgomery. Upon roll call, the vote was: AYES: 5–Mr. Lans, Mr. Schaefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

Signature Cards – Treasurer Change – There was discussion as to the bank accounts and investment accounts that will need to be corrected to remove Mr. Olson and add Jaye Quimby back to each as needed. Mrs. Quimby and Sgt. Camacho will gather the needed signature cards and members will be contacted for completion. There was also discussion as to the practicality of keeping the Illinois Funds account open.

Mr. Lans made the motion that we authorize interim treasurer Mrs. Quimby transfer 100% of the funds from the Illinois Funds account to the First National pension board checking account, seconded by Mr. Schaefer.

Upon roll call, the vote was: AYES: 5–Mr. Lans, Mr. Schaefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

Winnebago County – Statement of Economic Interests – Mr. Lans reviewed the pending annual statement filing and its due date. All members will complete and provide confirmation to Sgt. Camacho.

IDOI Compliance Fee – Mr. Lans noted that the IDOI Compliance Fee will be due in June, 2021. Mr. Montgomery made the motion that we authorize Mrs. Quimby to pay the required fee, seconded by Officer Johnson, not to exceed \$8,000. Estimated fee to be in the area of \$1,500, but unknown at the time of the meeting what was paid last year.

Upon roll call, the vote was: AYES: 5–Mr. Lans, Mr. Schaefer, Officer Johnson, Mr. Montgomery, and Sgt. Camacho NAYS: 0 ABSTAIN: 0

Copies of related documents were added to the file.

ATTORNEY REPORT:

Legal Update – Mr. Potthoff reviewed the 4/2021 newsletter from his firm with board members.

EXECUTIVE SESSION:

An executive session was not needed.

NEXT QUARTERLY MEETING:

The next regular Police Pension Board meeting is scheduled for Wednesday, July 28th, 2021.

ADJOURNMENT:

There being no further business, it was moved by Mr. Lans and seconded by Mr. Montgomery to adjourn. Voice vote: unanimous ayes – motion carried. The meeting adjourned at 6:13 pm.

Respectfully submitted,

Sergeant Dean A. Camacho #1303
Secretary

Approved: TBA (7/28/2021) () Yes () No